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SUBJECT: CHP,S CORRUPTION FIGHTER TARGETS ISTANBUL MAYORAL

11. (SBU) Summary: CHP,s mayoral candidate for Istanbul, Kemal Kilicdaroglu, told us he will continue to focus on corruption within the AKP, since this is the primary problem facing Turkey today -- which exacerbates the growing economic crisis. When he tours poor neighborhoods throughout the city, corruption is the biggest complaint he hears. He sees the current coal and food handouts by AKP as exploitation of the poverty that AKP itself caused by its poor economic policies. He told us he suspects a significant part of the city,s annual budget of \$10 billion is siphoned off by AKP cronies. While the formal campaign period does not start until March 9, latest polls indicate that current AKP mayor Kadir Topbas is far ahead. End Summary.

CHP,s Point Man against AKP Corruption

- 12. (SBU) Many Turkish commentators see CHP leader Deniz Baykal,s selection of Kilicdaroglu as the party's candidate for Istanbul Mayor as a strong pick. Kilicdaroglu has successfully hammered the AKP with corruption charges. The biggest scalp he has taken so far was that of then-AKP Vice Chairman Dengir Mir Firat, who resigned soon after a televised debate in which Kilicdaroglu accused him of fraud and drug trafficking (Ref. A). Kilicdaroglu was also responsible for the resignation of AKP Deputy Party Chairman Saban Disli, and has also scored points with corruption accusations directed against AKP Ankara mayor Mehil Gokcek, Istanbul mayor Topbas, and Prime Minister Erdogan,s son.
- 13. (SBU) Kilicdaroglu told us he intends to continue his attacks against corruption within the AKP in his campaign for Istanbul Mayor, since this is the primary problem facing Turkey today, which exacerbates the growing economic crisis. When he tours poor neighborhoods throughout the city, corruption is the biggest complaint he hears. He sees the current coal and food handouts by AKP as exploitation of the poverty that AKP itself caused by its poor economic policies. He told us he suspects a significant part of the city,s annual budget of \$10 billion is siphoned off by AKP cronies, and that he will bring his vast experience in financing and accounting to bring accountability and transparency to the mayor,s office.

Kilicdaroglu's Platform: Social Safety Net and Good Government

14. (SBU) Kilicdaroglu said the best means to eliminate poverty is to provide direct cash transfers to the women of the city's households, since this will increase their standing in the family and increase the likelihood that the funds will be spent for the good of the family. With help from academicians and local administrators, he intends to have poverty maps drawn to target areas of need, and then to have social security experts interview residents to determine individual need. His ultimate goal is to get at least one household member gainfully employed and thus into the Social Security system, at which time these transfer payments can stop.

- 15. (SBU) Kilicdaroglu criticized the lack of city planning, saying Istanbul still lacks a master city plan and according to official numbers, 60 percent of its housing stock is illegally built. If elected, he will consult the residences of these illegal settlements to create a master plan to replace substandard houses with modern housing. If done correctly, he thinks, the city does not need to provide funds to construct this housing; Kilicdaroglu said there are good examples in Ankara where this was done. He also criticized AKP for failing to solve Istanbul's long-term water problem. Diverting water from the Melen River (Ref. C) is a short-term solution, but Istanbul needs to construct a dam much closer to the city to meet its long-term needs, he believes.
- 16. (SBU) In a break from CHP's usual anathema towards anything proposed by AKP, Kilicdaroglu intends to continue some of the current city administration's projects, such as the Bosphorus tunnel, metro extensions, and earthquake

preparedness. If elected, however, he would ramp up investment in the city,s crumbling infrastructure, utilizing the private sector through "built, operate and transfer" (BOT) financing. He told us BOT financing permitted Istanbul,s Ataturk Airport to be built in less than two years and it would permit 400 km of rail to be constructed in eight years (vs the 80 km extension that the current administration plans).

17. (SBU) According to Kilicdaroglu, CHP has made commendable efforts to expand its base beyond the "old elites," but the press has trivialized this program, focusing only on the CHP,s outreach to women with headscarves. Kilicdaroglu gave as a more representative example the CHP project to establish "halkevi" (people,s houses), in which volunteers provide education, training and assistance. He thinks he can draw poor voters away from AKP since he grew up among these voters and can "speak their language."

An Uphill Struggle

18. (SBU) Comment: Most political observers give Kilicdaroglu only a slim chance of defeating Topbas on March 29. Unlike the close contest in Ankara (Ref. B), current AKP mayor Topbas is the heavy favorite in the Istanbul race. While some columnists say the race is tightening, according to a recent poll conduct by Genar, about 45 percent of respondents said they would vote for AKP,s candidate, compared to 27 percent who favor the CHP candidate. But, if he is able to beat the odds and win the seat from which PM Erdogan launched his bid for the Prime Ministership, he could fairly claim to have earned the right to attempt to reverse the decline that CHP has experienced under the leadership of Baykal. Indeed, for this reason some observers think Baykal — infamous for not brooking opposition within the party — picked Kilicdaroglu hoping and expecting he would fail. Wiener